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ATTORNEYS AT LAW

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RECORDATION NO. 18264
FILED 1425

JUN 17 1993 1-15 PM

INTERSTATE COMMERCE COMMISSION
3-168A003

June 17, 1993

Mr. Sidney L. Strickland, Jr.
Secretary
Interstate Commerce Commission
Washington, D.C. 20423

Dear Mr. Strickland:

Enclosed are two original fully executed and acknowledgement copies of a Security Agreement dated June 8, 1993, a primary document, together with an Addendum attached thereto.

The names and addresses of the parties to the enclosed document are:

Secured Party: Concord Commercial Corporation
70 Valley Stream Parkway
Malvern, Pennsylvania 19355

Debtor: Pioneer Railroad Equipment Co., Ltd.
1831 North Santa Fe Avenue
Chillicothe, Illinois 61253

JUN 17 1 07 AM '93
MOTOR OPERATING UNIT

A description of the railroad equipment covered by the enclosed document is set forth in an Equipment and Railcar Usage Schedule dated June 8, 1993 attached to the enclosed document.

Also enclosed is a check in the amount of \$16 payable to the order of the Interstate Commerce Commission covering the required recordation fee.

Mr. Sidney L. Strickland, Jr.

June 17, 1993

Page 2

Kindly return a stamped copy of the enclosed document to the undersigned.

A short summary of the enclosed document to appear in the Commission's
Index is:

Security Agreement dated June 8, 1993 between Pioneer Railroad
Equipment Co., Ltd., Debtor, and Concord Commercial Corporation,
Secured Party, covering railcars bearing ALAB reporting marks and
numbers (formerly SP/WCTR/CR reporting marks and numbers).

Very truly yours,

Robert W. Alvord

RWA/khb
Enclosures

SECURITY AGREEMENT

INTERSTATE COMMERCE COMMISSION

AGREEMENT made this 8th day of June, 1993, by and between Concord Commercial Corporation, a Delaware corporation having its principal place of business at 70 Valley Stream Parkway, Malvern, PA 19355, ~~XXX~~ XXXX, ("Secured Party") and Pioneer Railroad Equipment Co., Ltd., a n Iowa corporation having its principal place of business at 1831 North Santa Fe Avenue Chillicothe, IL 61523 ("Debtor")

In consideration of the mutual covenants hereinafter set forth, and intending to be legally bound, the parties hereto agree as follows

1. Debtor hereby grants to Secured Party, its successors and assigns, a security interest in the following described personal property, together with all accessories, attachments and accessions now or hereafter affixed thereto and substitutions, insurance proceeds, proceeds, and replacements thereof, hereinafter referred to collectively as "Collateral"

See Equipment and Railcar Usage Schedule attached hereto and by this reference is made a part hereof.

to secure performance and payment of all obligations and indebtedness of Debtor to Secured Party, either direct or indirect, absolute or contingent, due or to become due, now existing or hereafter arising (all hereinafter called "Obligations") Secured Party shall not be obligated to release its security interest in any of the Collateral until all Obligations of Debtor to Secured Party are satisfied in full

2 Secured Party shall make advances to the Debtor or its designee or designees in one or more payments and in such amounts solely within the discretion of the Secured Party

3 Debtor hereby represents, warrants and covenants that the Collateral is owned by Debtor and shall be kept, except as hereinafter provided, at the premises of Debtor referenced hereinabove or at any rail point in North America ("Property")

4 Debtor warrants, covenants and agrees as follows

- To pay and perform all of the Obligations secured by this Agreement according to their terms
- On demand of Secured Party to do the following (i) execute any written agreement or do any other acts necessary to effectuate the purposes and provisions of this Agreement, (ii) execute any instrument or statement required by law or otherwise in order to perfect, continue or terminate the security interest of Secured Party in the Collateral, and (iii) pay all costs of filing in connection therewith
- To retain possession of the Collateral during the existence of this Agreement and not to sell, exchange, assign, loan, deliver, lease, mortgage or otherwise dispose of such Collateral without the written consent of Secured Party
- To keep the Collateral at the location set forth in Section 3 hereof and not to remove the Collateral (except in the usual course of business for temporary periods) without the written consent of Secured Party
- To keep the Collateral free and clear of all liens, charges, encumbrances, taxes and assessments
- To pay, when due, all taxes, assessments and license fees relating to the Collateral except any taxes on the income of Secured Party from this financing of Collateral for Debtor
- To keep the Collateral insured on an all-risk basis against all loss or damage and such other hazards as Secured Party may require. Policies shall be in such form and amounts and with such insurance companies as Secured Party may designate or approve, provided, however, that the amount thereof shall be at least equal to the fair market value of the Collateral Policies shall be obtained from responsible insurers authorized to do business in the State within which Collateral is to be located Policies of insurance, payable to Secured Party and Debtor as their interests may appear, shall be deposited with Secured Party who is authorized, but under no duty, to obtain such insurance upon failure of Debtor to do so Each such policy of insurance shall provide that the insurance company shall give Secured Party 30 days prior written notice of the effective date of any alteration or cancellation of such policy Debtor shall give immediate written notice to Secured Party and to each insurer of loss or damage to the Collateral and shall promptly file proofs of loss with each such insurer
- To keep the Collateral, at Debtor's own cost and expense, in good repair and condition and available, together with the records relative thereto, for inspection by Secured Party at all reasonable times.
 - To immediately notify Secured Party in writing of any change in or discontinuance of Debtor's place or places of business.
 - To indemnify and save harmless Secured Party, its successors and assigns, employees, officers, directors and agents from and against any and all claims or suits for any loss, damage, or injury sustained by any person whomsoever by reason of the sale, financing, process, use or disposition of the Collateral, and in this connection, Debtor shall pay the costs of all legal fees and all other reasonable costs and expenses incurred by Secured Party

5 Secured Party shall be entitled to inspect the Collateral at any time during reasonable business hours

All terms and conditions on the reverse side of this Agreement are a part hereof and binding upon the parties hereto. Debtor acknowledges having read and received a true executed copy of this Agreement

IN WITNESS WHEREOF, the parties hereto have duly executed this Agreement as of the date first above written

B. M. Brown Secretary
(Witness)
Joan Knapp
(Witness)

Pioneer Railroad Equipment Co., Ltd.
(Debtor)
By Lugh Brubaker
Title CEO
By Concord Commercial Corporation
Title Constant Credit Manager

1935, 1936, 1937, 1938, 1939, 1940, 1941, 1942, 1943, 1944, 1945, 1946, 1947, 1948, 1949, 1950, 1951, 1952, 1953, 1954, 1955, 1956, 1957, 1958, 1959, 1960, 1961, 1962, 1963, 1964, 1965, 1966, 1967, 1968, 1969, 1970, 1971, 1972, 1973, 1974, 1975, 1976, 1977, 1978, 1979, 1980, 1981, 1982, 1983, 1984, 1985, 1986, 1987, 1988, 1989, 1990, 1991, 1992, 1993, 1994, 1995, 1996, 1997, 1998, 1999, 2000, 2001, 2002, 2003, 2004, 2005, 2006, 2007, 2008, 2009, 2010, 2011, 2012, 2013, 2014, 2015, 2016, 2017, 2018, 2019, 2020, 2021, 2022, 2023, 2024, 2025, 2026, 2027, 2028, 2029, 2030, 2031, 2032, 2033, 2034, 2035, 2036, 2037, 2038, 2039, 2040, 2041, 2042, 2043, 2044, 2045, 2046, 2047, 2048, 2049, 2050, 2051, 2052, 2053, 2054, 2055, 2056, 2057, 2058, 2059, 2060, 2061, 2062, 2063, 2064, 2065, 2066, 2067, 2068, 2069, 2070, 2071, 2072, 2073, 2074, 2075, 2076, 2077, 2078, 2079, 2080, 2081, 2082, 2083, 2084, 2085, 2086, 2087, 2088, 2089, 2090, 2091, 2092, 2093, 2094, 2095, 2096, 2097, 2098, 2099, 2100, 2101, 2102, 2103, 2104, 2105, 2106, 2107, 2108, 2109, 2110, 2111, 2112, 2113, 2114, 2115, 2116, 2117, 2118, 2119, 2120, 2121, 2122, 2123, 2124, 2125, 2126, 2127, 2128, 2129, 2130, 2131, 2132, 2133, 2134, 2135, 2136, 2137, 2138, 2139, 2140, 2141, 2142, 2143, 2144, 2145, 2146, 2147, 2148, 2149, 2150, 2151, 2152, 2153, 2154, 2155, 2156, 2157, 2158, 2159, 2160, 2161, 2162, 2163, 2164, 2165, 2166, 2167, 2168, 2169, 2170, 2171, 2172, 2173, 2174, 2175, 2176, 2177, 2178, 2179, 2180, 2181, 2182, 2183, 2184, 2185, 2186, 2187, 2188, 2189, 2190, 2191, 2192, 2193, 2194, 2195, 2196, 2197, 2198, 2199, 2200, 2201, 2202, 2203, 2204, 2205, 2206, 2207, 2208, 2209, 2210, 2211, 2212, 2213, 2214, 2215, 2216, 2217, 2218, 2219, 2220, 2221, 2222, 2223, 2224, 2225, 2226, 2227, 2228, 2229, 2230, 2231, 2232, 2233, 2234, 2235, 2236, 2237, 2238, 2239, 2240, 2241, 2242, 2243, 2244, 2245, 2246, 2247, 2248, 2249, 2250, 2251, 2252, 2253, 2254, 2255, 2256, 2257, 2258, 2259, 2260, 2261, 2262, 2263, 2264, 2265, 2266, 2267, 2268, 2269, 2270, 2271, 2272, 2273, 2274, 2275, 2276, 2277, 2278, 2279, 2280, 2281, 2282, 2283, 2284, 2285, 2286, 2287, 2288, 2289, 2290, 2291, 2292, 2293, 2294, 2295, 2296, 2297, 2298, 2299, 2300, 2301, 2302, 2303, 2304, 2305, 2306, 2307, 2308, 2309, 2310, 2311, 2312, 2313, 2314, 2315, 2316, 2317, 2318, 2319, 2320, 2321, 2322, 2323, 2324, 2325, 2326, 2327, 2328, 2329, 2330, 2331, 2332, 2333, 2334, 2335, 2336, 2337, 2338, 2339, 2340, 2341, 2342, 2343, 2344, 2345, 2346, 2347, 2348, 2349, 2350, 2351, 2352, 2353, 2354, 2355, 2356, 2357, 2358, 2359, 2360, 2361, 2362, 2363, 2364, 2365, 2366, 2367, 2368, 2369, 2370, 2371, 2372, 2373, 2374, 2375, 2376, 2377, 2378, 2379, 2380, 2381, 2382, 2383, 2384, 2385, 2386, 2387, 2388, 2389, 2390, 2391, 2392, 2393, 2394, 2395, 2396, 2397, 2398, 2399, 2400, 2401, 2402, 2403, 2404, 2405, 2406, 2407, 2408, 2409, 2410, 2411, 2412, 2413, 2414, 2415, 2416, 2417, 2418, 2419, 2420, 2421, 2422, 2423, 2424, 2425, 2426, 2427, 2428, 2429, 2430, 2431, 2432, 2433, 2434, 2435, 2436, 2437, 2438, 2439, 2440, 2441, 2442, 2443, 2444, 2445, 2446, 2447, 2448, 2449, 2450, 2451, 2452, 2453, 2454, 2455, 2456, 2457, 2458, 2459, 2460, 2461, 2462, 2463, 2464, 2465, 2466, 2467, 2468, 2469, 2470, 2471, 2472, 2473, 2474, 2475, 2476, 2477, 2478, 2479, 2480, 2481, 2482, 2483, 2484, 2485, 2486, 2487, 2488, 2489, 2490, 2491, 2492, 2493, 2494, 2495, 2496, 2497, 2498, 2499, 2500, 2501, 2502, 2503, 2504, 2505, 2506, 2507, 2508, 2509, 2510, 2511, 2512, 2513, 2514, 2515, 2516, 2517, 2518, 2519, 2520, 2521, 2522, 2523, 2524, 2525, 2526, 2527, 2528, 2529, 2530, 2531, 2532, 2533, 2534, 2535, 2536, 2537, 2538, 2539, 2540, 2541, 2542, 2543, 2544, 2545, 2546, 2547, 2548, 2549, 2550, 2551, 2552, 2553, 2554, 2555, 2556, 2557, 2558, 2559, 2560, 2561, 2562, 2563, 2564, 2565, 2566, 2567, 2568, 2569, 2570, 2571, 2572, 2573, 2574, 2575, 2576, 2577, 2578, 2579, 2580, 2581, 2582, 2583, 2584, 2585, 2586, 2587, 2588, 2589, 2590, 2591, 2592, 2593, 2594, 2595, 2596, 2597, 2598, 2599, 2600, 2601, 2602, 2603, 2604, 2605, 2606, 2607, 2608, 2609, 2610, 2611, 2612, 2613, 2614, 2615, 2616, 26

7. The following shall constitute a default by Debtor

The liquidation or dissolution of Debtor or the commencement of any acts relative thereto or, without the prior written consent of Secured Party, any sale or other disposition of all or substantially all of the assets of Debtor including any merger or consolidation of Debtor unless Debtor is the surviving corporation

a. to declare all Obligations owed by Debtor to Secured Party immediately due and payable in full, at the option of Secured Party

9 Debtor hereby assigns to Secured Party any and all monies (including, but not limited to, proceeds of insurance, return of unearned premiums) which may become due under any policy insuring the Collateral against any loss or damage and direct the insurance company using such policy to make payment thereof directly to Secured Party. Secured Party may, at its option, apply any insurance monies so received to the cost of repairs to the Collateral and/or to payment of any of the Obligations, in such order as the Secured Party may determine, whether or not due, and shall remit any surplus to Debtor. Debtor hereby authorizes and irrevocably appoints Secured Party as Debtor's attorney-in-fact, with full power of substitution, to receive all such monies, to execute proofs of claim, to endorse drafts, checks and other instruments for the payment of money payable to Debtor in payment of such insurance claims, to adjust and compromise any claim and to execute releases.

11 At the request of Secured Party, Debtor will join with Secured Party in executing one or more financing statements pursuant to the form Commercial Code in form satisfactory to Secured Party covering the Collateral described herein and any substitutions or replacements thereof. Without limiting the foregoing, Debtor hereby authorizes and irrevocably appoints Secured Party as Debtor's attorney-in-fact, in full power of substitution, to execute and file such financing statements in all places where necessary to perfect Secured Party's security interest in the Collateral and motor vehicle title documentation necessary to obtain repossession title certificates.

13 Secured Party's rights under this Agreement are in addition to and not in limitation of any other rights and remedies Secured Party may have by virtue of any other instrument or agreement executed by Debtor. If any provision(s) of this Agreement shall be found to be in conflict with any applicable law or regulation, such provision(s) shall be deemed severed therefrom and any court of competent jurisdiction may substitute therefor any legally valid alternate provision that would be commercially acceptable in similar transactions in such jurisdiction. Secured Party shall not by any act, delay, omission or otherwise be deemed to have waived any of its rights or remedies hereunder. A waiver by Secured Party of any right or remedy hereunder on any one occasion, shall not be construed as a bar to or waiver of any such right or remedy which Secured Party would have had on any future occasion nor shall Secured Party be liable for exercising or failing to exercise any such right or remedy. This Agreement shall be binding, jointly and severally, upon all parties described as Debtor, and upon their successors and assigns.

See Addendum attached hereto and by this reference

This Security Agreement is the entire agreement between the parties, and no alterations, amendments or qualifications shall be binding or in force and effect as against Secured Party, unless in writing and signed by Secured Party.

ADDENDUM

This addendum is attached to and forms a part of that certain Security Agreement dated June 8, 1993 by and between Pioneer Railroad Equipment Co., Ltd. _____, and Concord Commercial Corporation.

The following shall be added to paragraph 15:

It shall be an event of default under the Agreement if a controlling interest of the stock or partnership interest of the Debtor, as applicable, is transferred (whether in increments or on one occasion) to persons or other legal entities other than those holding said controlling interest at the date of execution of the Agreement.

The Debtor shall furnish to the Secured Party: (i) within one hundred twenty (120) days of the end of the fiscal year, for so long as any Obligations remain unsatisfied, financial statements of the Debtor prepared in accordance with Generally Accepted Accounting Principles; and (ii) such other financial information in such form, content and frequency as the Secured Party may reasonably request. Failure to provide any of the foregoing shall be an event of default.

Pioneer Railroad Equipment Co., Ltd.

(Debtor)

By: _____

Title: _____

CONCORD COMMERCIAL CORPORATION

By: _____

Title: _____

EQUIPMENT AND RAILCAR USAGE SCHEDULE

This Equipment Schedule is attached to and by this reference made a part of that certain Security Agreement (the "Agreement") dated June 8, 1993 by and between Pioneer Railroad Equipment Co., Ltd. as Debtor and Concord Commercial Corporation as Secured Party.

Collateral:

One (1) ALAB 218317, formerly CR 218317.
One (1) ALAB 218351, formerly CR 218351.
One (1) ALAB 218435, formerly CR 218435.
One (1) ALAB 218448, formerly CR 218448.
One (1) ALAB 218615, formerly CR 218615.
One (1) ALAB 219484, formerly CR 219484.
One (1) ALAB 220306, formerly CR 220306.
One (1) ALAB 220358, formerly CR 220358.
One (1) ALAB 220361, formerly CR 220361.
One (1) ALAB 220402, formerly CR 220402.
One (1) ALAB 279085, formerly CR 279085.
One (1) ALAB 279236, formerly CR 279236.
One (1) ALAB 279269, formerly CR 279269.
One (1) ALAB 279462, formerly CR 279462.
One (1) ALAB 279466, formerly CR 279466.
One (1) ALAB 279848, formerly CR 279848.
One (1) ALAB 279902, formerly CR 279902.
One (1) ALAB 241560, formerly SP 241560.
One (1) ALAB 241683, formerly WCTR 241683.
One (1) ALAB 241543, formerly SP 241543.
One (1) ALAB 241731, formerly SP 241731.
One (1) ALAB 241508, formerly SP 241508.
One (1) ALAB 241664, formerly SP 241664.
One (1) ALAB 241607, formerly SP 241607.
One (1) ALAB 241529, formerly SP 241529.
One (1) ALAB 241482, formerly SP 241482.
One (1) ALAB 241657, formerly SP 241657.
One (1) ALAB 241595, formerly WCTR 241595.
One (1) ALAB 241725, formerly SP 241725.
One (1) ALAB 241519, formerly SP 241519.
One (1) ALAB 241803, formerly SP 241803.
One (1) ALAB 241366, formerly WCTR 241366.
One (1) ALAB 241850, formerly SP 241850.
One (1) ALAB 241646, formerly SP 241646.
One (1) ALAB 241575, formerly SP 241575.
One (1) ALAB 241504, formerly SP 241504.
One (1) ALAB 241549, formerly SP 241549.
One (1) ALAB 241672, formerly SP 241672.
One (1) ALAB 241849, formerly WCTR 241849.
One (1) ALAB 241884, formerly SP 241884.
One (1) ALAB 241524, formerly SP 241524.
One (1) ALAB 241909, formerly SP 241909.
One (1) ALAB 241495, formerly SP 241495.
One (1) ALAB 241567, formerly SP 241567.
One (1) ALAB 241581, formerly SP 241581.
One (1) ALAB 241657, formerly SP 241657.
One (1) ALAB 241613, formerly SP 241613.
One (1) ALAB 241806, formerly WCTR 241806.

One (1) ALAB 241739, formerly SP 241739
One (1) ALAB 241828, formerly SP 241828

Those certain Railcar Usage Agreements dated June 8, 1993 and June 8, 1993 by and between Pioneer Railroad Equipment Co., Ltd. and Alabama Railroad Co.

All terms and conditions of the Agreement are hereby restated, ratified and confirmed.

IN WITNESS WHEREOF, the undersigned have executed this Schedule as of this 8th day of June, 1993.

DEBTOR:

Pioneer Railroad Equipment Co., Ltd.

By: 

Title: CEO

Date: 6-8-93

SECURED PARTY:

Concord Commercial Corporation

By: 

Title: Assistant Credit Manager

Date: 6-8-93

STATE OF ILLINOIS

COUNTY OF MARSHALL

On this 8th day of JUNE, 1993, before me personally appeared GUY L. BRENNER, to me personally known, who being by me duly sworn, says that he is the CEO of Pioneer Railroad Equipment Co., Ltd., that the foregoing instrument was signed on behalf of said corporation, and he acknowledged that the execution of said instrument was his free act and deed.



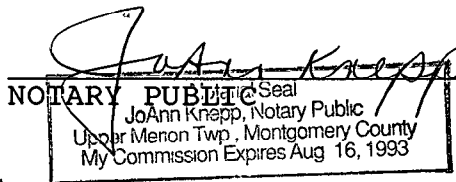
Toni K. McCasky
NOTARY PUBLIC

My commission expires: 3-3-97

STATE OF Pennsylvania

COUNTY OF Chester

On this 15th day of June, 1993, before me personally appeared Louis Maslowe, to me personally known, who being by me duly sworn, says that he is Asst Credit Manager of Concord Commercial Corporation, that the foregoing instrument was signed on behalf of said corporation, and he acknowledged that the execution of the said instrument was his free act and deed.



My commission expires:

Member, Pennsylvania Association of Notaries